

Revised Basic Education Structure

18 March 2008

VEE	Economics Corporate Finance Applied Statistical Methods
Exam 1	Probability (Joint with SOA)
Exam 2	Financial Mathematics (Joint with SOA)
Exam 3	3F Financial Economics (Joint with SOA) 3L Life Contingencies and Statistics
Exam 4	Construction and Evaluation of Models (Joint with SOA)

Internet-based Course		Current Exam	Current Exam Weight (%)
Module 1	Introduction to P&C Insurance	Exam 5 Part A	17.5
	Insurance Operations	Exam 5 Part B	12.5
	Specialized Lines of Business	Exam 5 Part C	2.5
	Misc. Ratemaking Topics LO 5 (Stat Plans)	Exam 5 Part F 5	2.5
	Actuarial Control Cycle	New	
			35.0
Module 2 Canada	Insurance Accounting Principles LO 1-2	Exam 6 Part B 1-2	5.0
	Reinsurance LO 1-2	Exam 6 Part C 1-2	7.5
	Background Law LO 1	Exam 7C Part A 1	5.0
	Regulation of Insurance LO 1	Exam 7C Part B 1	5.0
			22.5
Module 2 U.S.	Insurance Accounting Principles LO 1-2	Exam 6 Part B 1-2	5.0
	Reinsurance LO 1-2	Exam 6 Part C 1-2	7.5
	Background Law LO 1	Exam 7 Part A 1	2.5
	Regulation of Insurance LO 1	Exam 7 Part B 1	7.5
			22.5

The Internet-based course syllabus will be professionally designed in two self-contained modules each consisting of a number of units (chapters). This allows candidates to study each unit separately and to complete the corresponding tests at their own pace.

Basic Ratemaking and Reserving		Current Exam	Current Exam Weight (%)
ACAS 4 hours	Basic Ratemaking		
	Ratemaking	Exam 5 Part D	37.5
	Classification Analysis	Exam 5 Part E	12.5
	Misc. Ratemaking Topics LO 1-4, 6-8	Exam 5 Part F 1-4, 6-8	15.0
	Basic Reserving		
Actuarial Reserves	Exam 6 Part A	35.0	
			100.0

Regulation and Financial Reporting		Current Exam	Current Exam Weight (%)
ACAS 4 hours U.S.	Background Law LO 2-4	Exam 7 Part A 2-4	5.0
	Regulation of Insurance LO 2-4	Exam 7 Part B 2-4	20.0
	Government and Industry Insurance Programs	Exam 7 Part C	12.5
	Financial Reporting and Taxation	Exam 7 Part D	52.5
	Insurance Accounting Principles LO 3-4	Exam 6 Part B 3-4	10.0
			100.0
ACAS 4 hours Canada	Background Law LO 2-6	Exam 7C Part A 2-6	11.0
	Regulation of Insurance LO 2-5	Exam 7C Part B 2-5	11.5
	Government and Industry Insurance Programs	Exam 7C Part C	22.5
	Financial Reporting	Exam 7C Part D	45.0
	Insurance Accounting Principles LO 3-4	Exam 6 Part B 3-4	10.0
			100.0

Course on Professionalism

Advanced Ratemaking		Current Exam	Current Exam Weight (%)
FCAS 3 hours	Classification Ratemaking	Exam 9 Part A	15.0
	Cost of Layers of Risk	Exam 9 Part B	15.0
	Pricing of Catastrophic Events	Exam 9 Part C	2.5
	Individual Risk Rating	Exam 9 Part E	35.0
			67.5

Advanced Reserving, Reinsurance, and ERM		Current Exam	Current Exam Weight (%)
FCAS 3 hours	Reinsurance (Pricing and Reserving) LO 3-8	Exam 6 Part C 3-8	27.5
	Enterprise Risk Management	Exam 6 Part D	5.0
	Advanced Reserving (Stochastic, Mass Tort and Reserve Ranges)	New and Exam 6 Part A	10.0
			42.5

Investments and Rate of Return		Current Exam	Current Exam Weight (%)
FCAS 3 hours	Portfolio Theory and Capital Markets	Exam 8 Part A	15.0
	Fixed Income Securities	Exam 8 Part B	17.5
	International Securities	Exam 8 Part E	2.5
	Asset Liability Management	Exam 8 Part F	7.5
	Financial Risk Management	Exam 8 Part G	17.5
	Valuation	Exam 8 Part H	7.5
	Rate of Return and Risk Loads	Exam 9 Part D	32.5
			100.0

Transition Rules

The following transition rules were declared to be final in July 2009:

<u>Old Exam</u>	<u>Credit in New Education Structure</u>
Exam 5	Half Exam on Basic Ratemaking* + Module 1
Exam 6	Half Exam on Basic Reserving* + Exam on Advanced Reserving, Reinsurance, and ERM
Exam 7	Exam on Regulation and Financial Reporting + Module 2
Exam 8	Exam on Investments and Rate of Return
Exam 9	Exam on Advanced Ratemaking

* To receive credit for the new exam on Basic Ratemaking and Reserving, the candidate must have credit for both old Exams 5 and 6. At the time of transition, if a candidate has credit for only one of the required exams (either Exam 5 or Exam 6), the candidate will be allowed to take just the part of the exam for which he or she is missing credit (i.e., either the basic ratemaking section or the basic reserving section of the new exam) in order to obtain credit for the new exam. It is anticipated that this option will be available for at least two sittings after the official conversion to the new education structure.